

Montgomery County, Maryland

Office of the Inspector General

Procedures Manual

December 3, 2018

INSPECTOR GENERAL MESSAGE

Who We Are

In 1997, the Montgomery County Council passed legislation creating the Office of the Inspector General to serve as a watchdog to detect and prevent fraud, waste, and abuse in County government operations.

The specific goals, authority, and duties of the Office are found in Montgomery County Code §2-151.

What We Do

Although appointed by the County Council, the Inspector General is solely responsible for choosing topics for review after carefully considering available resources and the mission of the Office.

Our mission is stated in three goals set forth in the enabling legislation:

- Review the effectiveness and efficiency of programs and operations of County government and independent County agencies
- Prevent and detect fraud, waste, and abuse in government activities
- Propose ways to increase the legal, fiscal, and ethical accountability of County government departments and County-funded agencies

In carrying out the mission, the Inspector General team produces many documents, including the Inspector General Work Plan; results of inspections, investigations, and audits; and periodic status reports to the County Council. These documents are available for viewing on our Web site.

This manual describes how we perform our duties and the standards to which we adhere.

Our Pledge

But beyond adhering to the policies, procedures, and standards described in this manual, we have an additional, overriding objective. We pledge to be responsive - to complainants, to management, and to the Council. If we are provided contact information, we strive to acknowledge receipt of every complaint and later provide our conclusion(s). When desired, we provide updates.

We believe taxpayers and leaders have a right to be kept advised of such matters.

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Inspector General
Montgomery County, Maryland

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Section 1: OIG ORGANIZATION AND PROFESSIONAL STANDARDS

OIG ORGANIZATION AND PROFESSIONAL STANDARDS

A. PURPOSE

This chapter describes the origin, structure, mission, and objectives of the Office of the Inspector General (OIG). It also introduces the standards the OIG follows.

B. BACKGROUND

1. Statutory Mandates, Guidelines, and Directives

The Office of the Inspector General (OIG), created under County Code Chapter 2 Administration, Article XIII, Sec 2-151 (hereafter, Section 2-151), identifies actions which would enhance the productivity, effectiveness, or efficiency of programs and operations of County government and independent County agencies.

The Inspector General is appointed by the Montgomery County Council. He/she provides the County Council, the County Executive, principal agency officers, and county residents with results of independent inspections; investigations; budgetary analyses; and financial, management, or performance audits and reviews of County Government and County funded programs and operations. These audits and reviews are designed to promote integrity, economy, efficiency, and effectiveness in the administration of programs and operations. As part of such scheduled audits and evaluations, the OIG reviews internal controls to determine whether they are documented, adequate, effective, and operating as intended.

Section 2-151 (h) provides that the Inspector General may seek assistance from any other government agency or private party or undertake any project jointly with any other governmental agency or private body.

2. OIG Mission and Strategic Objectives

As stated in Section 2-151, the goals of the OIG are to:

- a) Review the effectiveness and efficiency of programs and operations of County government and independent County agencies;
- b) Prevent and detect fraud, waste, and abuse in government activities; and
- c) Propose ways to increase the legal, fiscal, and ethical accountability of County government departments and County-funded agencies.

Independent County agencies include Montgomery County Public Schools, Housing Opportunities Commission, Maryland-National Capital Park and Planning Commission, Montgomery College, and Washington Suburban Sanitary Commission.

The OIG's strategic objectives are to: establish effective working relationships with and earn the trust of stakeholders; serve as catalysts for positive change throughout the County; address allegations or complaints raised by County leaders, employees and/or residents regarding a wide variety of issues and/ or concerns; and refer credible allegations of employee misconduct to management for inquiry and appropriate action.

C. OIG STRUCTURE

The OIG is headed by the Inspector General. Reporting directly to the Inspector General is the Deputy Inspector General, and reporting to the Deputy Inspector General are the Investigative Analysts. The Inspector General may retain project staff or other consultants by contract and may temporarily detail an employee of any other government department or agency to the OIG.

Section 2-151 states that the County Attorney must provide legal services to the Inspector General and may employ special legal counsel for the Inspector General under Section 213 of the Charter. Section 2-151 also details circumstances under which the Inspector General may employ and be represented by special legal counsel who is not subject to the authority of the County Attorney.

D. PROFESSIONAL STANDARDS

Section 2-151 (h) states, *"In each project of the Office, the Inspector General should uphold the objective of complying with applicable generally accepted government auditing standards."*

The OIG is committed to meeting this requirement in each of its tasks. In planning, performing, and reporting on each task that results in a standard report, the OIG follows two standards:

- *Government Auditing Standards (GAS)*, issued by the U.S. Government Accountability Office (GAO), and
- *Principles and Standards for Offices of Inspector General*, issued by the Association of Inspectors General

Any deviation from these standards must be approved by the Inspector General or Deputy Inspector General. The OIG typically cites these standards in the objectives, scope, and methodology section of a standard report.

We next recite the standards contained in each of these standards as a memory-jogger to staff. This is not meant to convey all the thoughts in the standards, which are both available through the OIG website.

We then offer a brief discussion of additional resources available on the OIG website.

GOVERNMENT AUDITING STANDARDS (GAS)

GAS provides 4 general standards. One of them, independence, is discussed in a separate section of this manual. The other three are:

1. Professional Judgment

Auditors must use professional judgment in planning and performing audits and in reporting the results.

2. Competence

The staff assigned to perform an audit must collectively possess adequate professional competence needed to address the audit objectives and perform the work in accordance with GAS.

3. Quality Control and Assurance

To follow GAS, each organization must:

- a. Establish and maintain a system of quality control that is designed to provide the organization with reasonable assurance that the organization and its personnel comply with professional standards and applicable legal and regulatory requirements, and
- b. Have an external peer review performed by reviewers independent of the organization being reviewed at least once every 3 years.

GAS then addresses specific standards for financial audits, attestation engagements, performance audits field work, and performance audits reporting. The descriptions of these standards in GAS are lengthy. Accordingly, the reader is urged to read them in full in GAS.

PRINCIPLES AND STANDARDS FOR OFFICES OF INSPECTOR GENERAL

The *Principles and Standards for Offices of Inspector General*, issued by the Association of Inspectors General (hereafter, the Green Book) can be summarized as follows.

The Green Book first addresses the basis of legal authority for an OIG. The Association of Inspectors General (AIG) recommends that all OIG's be established by statute or, if necessary, by executive order. The AIG states that the statute should establish the OIG's mandate, authority, and powers; provide for confidentiality of records and proceedings; identify qualifications for the inspector general and staff; protect the office's independence; and provide protection to whistleblowers.

The Green Book next discusses the quality standards for Offices of Inspector General overall. They include planning, organizing, staff qualifications, direction and control, coordination, reporting, confidentiality, and quality assurance.

Finally, the Green Book provides general and qualitative standards for investigations; inspections, evaluations, and reviews; and audits.

ADDITIONAL RESOURCES FOR GUIDANCE

Many organizations offer information that may be helpful to the OIG. For example, the Council of Inspectors General on Integrity and Efficiency (CIGIE) has issued Quality Standards for Federal Offices of Inspector General, Quality Standards for Investigations, Quality Standards for Inspection and Evaluation, and Quality Standards for Digital Forensics.

The Government Finance Officers Association offers governmental accounting guidance and training. The American Institute of Certified Public Accountants is the standard-setter for audits of commercial and non-profit organizations.

The OIG web site has links to each of these organizations and several more. OIG staff members are encouraged to become familiar with the web site's offerings.

E. PROCEDURAL AND REPORTING OBJECTIVES

Reports are prepared in sufficient detail to describe for County managers the scope and cause of problems identified and to support any recommendations. Work is performed to determine the causes of inefficient and uneconomical practices on a system-wide basis within the County and to identify ways to achieve greater economies and efficiencies in the management of County resources. Objectives also focus on County compliance with applicable laws and regulations; the adequacy of internal controls; and the achievement of desired program results.

When necessary, the OIG will obtain the services of consultants, contractors, investigators, specialists, or subject matter experts to augment the OIG staff or provide expert advice regarding technical issues.

All reports fall under the general supervision and guidance of the Inspector General. Monitoring adherence to quality assurance standards is assigned to the Deputy Inspector General, as designated by the Inspector General.

INDEPENDENCE

F. PURPOSE

This chapter addresses independence of the OIG and its personnel.

G. BACKGROUND

While conducting OIG tasks, OIG staff involved in performing or supervising any assignments must be free from personal and organizational impairments to independence and should constantly maintain an independent attitude and appearance.

Section 2-151 establishes the OIG as an independent organization, headed by an Inspector General who is appointed by the County Council. Independence must be maintained so that opinions, conclusions, judgments, and recommendations will be impartial and will be perceived as impartial by others.

H. PERSONAL IMPAIRMENTS

Personal impairments to independence are the responsibility of each member of the OIG professional staff. Staff members must be familiar with, and comply with, the independence requirements of each of the publications cited in the previous section. OIG staff will be asked to confirm their independence on every assignment. **See Appendix X2.** In any instances where a staff member is not certain that he/she is independent, questions or concerns should immediately be raised to the Deputy Inspector General or the Inspector General.

To confirm that no personal impairments existed with respect to any work performed in a given year, each member of the OIG will sign an affidavit annually. The affidavit will state that the signer had no lack of independence with respect to any tasks performed as an employee of the County's OIG during the year then ended. **See Appendix X3.**

I. ORGANIZATIONAL IMPAIRMENTS

Of the two sets of professional standards mentioned in the previous section, GAS is the most explicit as to independence and particularly organizational impairments of independence. GAS states:

- 3.27 The ability of audit organizations in government entities to perform work and report the results objectively can be affected by placement within government and the structure of the government entity being audited. The independence standard applies to auditors in**

government entities whether they report to third parties externally (external auditors), to senior management within the audited entity (internal auditors), or to both.

- 3.28 Audit organizations that are structurally located within government entities are often subject to constitutional or statutory safeguards that mitigate the effects of structural threats to independence. For external audit organizations, such safeguards may include government structures under which a government audit organization is:**

... Placed within a different branch of government from that of the audited entity; for example, legislative auditors auditing an executive branch program.

- 3.29 Safeguards other than those described above may mitigate threats resulting from governmental structures. For external auditors or auditors who report both externally and internally, structural threats may be mitigated if the head of an audit organization meets any of the following criteria in accordance with constitutional or statutory requirements:**

...elected or appointed by a legislative body, subject to removal by a legislative body, and reports the results of audits to and is accountable to a legislative body...¹

At Montgomery County, the County Council appoints the Inspector General for a term of four years. The County Council may remove the Inspector General by resolution adopted by the affirmative vote of six Council members for neglect of duty, malfeasance, conviction of a felony, or other good cause².

The Inspector General is to direct the activities of the OIG subject to a 4-year work plan. When the OIG completes a work plan item, the Inspector General must submit a written report on that item to the County Council, the Executive, and the chief operating officer of each affected department or agency³.

It is concluded that Montgomery County has structured its Inspector General position so that the OIG is independent from the executive branch and all County-funded agencies. There are further safeguards, including removal procedures for the Inspector General, that ensure the OIG's independence with respect to the legislative branch. The Inspector General, and thus the OIG, of Montgomery County are fully organizationally independent.

J. OUTSIDE EMPLOYMENT

Professional staff members interested in outside employment while continuing as a County employee must submit a request to the Montgomery County Ethics Commission after obtaining approval from the Inspector General.

¹ GAS, United States Government Accountability Office, December 2011, pp 36 and 37

² Montgomery County Code Sec. 2-151 (e)

³ Montgomery County Code Sec. 2-151 (k) (2)

Section 2: OIG PROCEDURES

PRIORITIZING TASKS

K. PURPOSE

The OIG has a limited number of staff and amount of resources. The OIG uses its limited resources to achieve the greatest return to the County. This chapter describes many OIG policies that affect the tasks we undertake.

L. PROCEDURES AND CONSIDERATIONS

The OIG, in identifying work assignments, addresses complaints alleging fraud⁴, waste⁵, or abuse⁶ in County programs and operations. The OIG also devotes resources to performing audits and reviews of the effectiveness and efficiency of County programs and operations.

4. Complaints

Complaints that the OIG receives may be urgent. They could involve theft, retaliation, ongoing improper acts, etc. Timeliness in OIG response is in some cases critical. Complaints must therefore be addressed quickly, and the OIG does so by discussing complaints during regular staff meetings, which are scheduled to occur weekly.

Throughout the year, the OIG receives many complaints of all types. Credible allegations generate the preparation of a Complaint Intake and Processing Form⁷. See Appendix X1.

A copy of this form is sent to the Deputy Inspector General for insertion of the complaint into the Complaint Intake and Processing Log (located on the F Drive). The OIG member who completed the Intake form will then present the matter for consideration and possible action during the next weekly input meeting. All OIG staff members will at that meeting collectively determine an appropriate course of action:

- a. **Referrals.** Referrals are a type of Preliminary Inquiry. Credible allegations determined to be within the purview of another entity, and not within the purview of the OIG, are processed in one of two ways: (1) The OIG informs the complainant whom to contact

⁴ The OIG defines fraud as the misrepresentation of a material fact, knowingly or with reckless indifference to the truth, in order to obtain a benefit or payment to which one would normally not be entitled.

⁵ The OIG defines waste as the negligent or extravagant expenditure of County funds, incurring of expenses, or misuse of County resources or property.

⁶ The OIG defines abuse as the intentional wrongful or improper use of County resources that can include the excessive or improper use of one's position, in a manner contrary to its rightful or legally intended use.

⁷ If the OIG determines a complaint is not credible, it is not entered into the log. Determining credibility often requires some amount of independent verification prior to entry into the log.

and closes the complaint. (2) The OIG directly refers the matter to another entity, which is usually a County, State, or Federal government office. Examples of these types of allegations are criminal matters, issues regarding Federal or State government programs, and complaints about a County department's quality of service. In these cases, the OIG requests a response and closes the complaint after receiving the response.

- b. **Other credible allegations that are not Referrals.** An OIG staff member is assigned this complaint as a Preliminary Inquiry⁸.

5. **Planned Audits and Reviews**

The OIG also performs planned audits and reviews. These assignments are designed to improve efficiency, economy, and effectiveness of County government and independent County agencies; prevent and detect fraud, waste, and abuse in government activities; and increase the legal, fiscal, and ethical accountability of County government departments and County-funded agencies.

In determining what areas to audit or review, the OIG considers many factors. Primary among these is the 4-year OIG Work Plan. While the expected areas are only broadly described in the Work Plan, the actual audits or reviews undertaken should be consistent with those descriptions. Decisions to conduct audits or reviews consider (in no order):

- a. Requests for broad reviews (as opposed to routine complaints) from citizen advocacy groups, individual citizens, the County Executive, the County Council, the head of each independent County agency, employees of County government and independent County agencies, and employee organizations.
- b. Issues that pose a threat to public health and safety.
- c. A program's susceptibility to fraud, manipulation, or other irregularities.
- d. Newness, changed conditions, or sensitivity of program activities.
- e. Dollar magnitude or resources involved in the proposed audit or review area.
- f. Prior audit coverage and experience, including the adequacy of internal controls.
- g. Mandatory legislative requirements.

⁸ The OIG's use of the term "Preliminary Inquiry" refers to certain OIG procedures taken in response to a complaint. It does not refer to other uses of the term, such as in Maryland court proceedings.

h. Availability of audit resources.

The first phase of every audit or review is a Preliminary Inquiry (see footnote 8).

PRELIMINARY INQUIRY PHASE

M. PURPOSE

This chapter addresses a preliminary inquiry, which is the initial phase of all inspections, investigations, and audits. It describes the preliminary inquiry phase and identifies the criteria and steps necessary to complete a preliminary inquiry.

N. BACKGROUND

The preliminary inquiry phase is essential to planning effective research and ensuring optimal use of staff resources. The goal is to obtain sufficient background information to assess the matter at hand. To assess the matter at the end of the preliminary inquiry, the OIG attempts to answer three questions:

- Is the matter significant?
- Are the violations, ineffectiveness, and/or inefficiencies alleged likely true?
- Is this matter appropriate for the OIG to continue researching?

O. RESPONSIBILITIES AND PROCEDURES

The Inspector General and/or Deputy Inspector General are responsible for ensuring that Preliminary Inquiries are conducted in sufficient detail to determine whether to proceed with further research or terminate the work effort.

1. Preliminary Inquiry Planning

The justification, tentative scope, and priority of each Preliminary Inquiry are unique to that issue. The OIG team initiates the Preliminary Inquiry phase by holding an initial meeting (considered a Planning Meeting) with the Inspector General and/or Deputy Inspector General often as part of a weekly input meeting.

2. Preliminary Inquiry Approach

Preliminary inquiry research should focus on areas of concern or needing improvement, such as cost recoveries or reductions, improved efficiency and program effectiveness, and compliance with laws and regulations. The scope of work and time required for each preliminary inquiry will vary based on the complexity of the subject to be examined. OIG management and the OIG team will determine the amount of time to be devoted to the preliminary inquiry phase.

To gather evidence and information expeditiously during the preliminary inquiry, staff members can use interviewing techniques; physical inspection and onsite observations; review of prior OIG and other management reports; questionnaires; transaction tests and flow charts; electronic searches on the Web and the Montgomery County Website and links thereto; and assistance from other independent IGs and/or contracted individuals.

Upon completion of a preliminary inquiry, the OIG team will recommend to the Inspector General a “Go” or “No Go” decision regarding the verification phase.⁹ This recommendation, usually developed as part of a meeting, will include an estimation of the resource and time requirements should the verification phase move forward. It should highlight the major issues, problems, and preliminary findings discovered during the preliminary inquiry.

If the decision is to “Go” forward with further OIG effort:

- a. As to preliminary findings indicating only inefficiency and/or ineffectiveness, and no violation of law or regulations, consider whether the issue should result in an inspection or audit. Perform the inspection or audit, and issue a report.
- b. If the preliminary inquiry indicates the possibility of employee or agency violations of administrative or civil laws or regulations, including the County code, the Inspector General may decide to open one or more formal inspections or investigations.

If the decision is “No Go”:

- a. If complaints could not be substantiated, close the matter with no further action. Consider providing a confidential close-out memorandum to management. The close-out memorandum will announce the termination of the review and advise appropriate officials that no further work is contemplated.
- b. If results warrant, issue a Preliminary Inquiry Memorandum (PIM).
- c. Refer preliminary findings indicating employee misconduct to management. Include preliminary evidence identifying the nature of the violation, the individual(s) committing the violation, and estimates of financial losses to the County or organization if possible. The OIG will likely ask for a response by a certain date.
- d. Refer preliminary findings indicating misconduct of an elected official or a possible criminal violation to appropriate law enforcement, the County Attorney’s Office, the State Prosecutor, or the State’s Attorney.

⁹ The distinction between the preliminary inquiry phase and the verification phase may not be relevant with small, single-issue tasks or contractor-conducted reviews where a clear scope of testing has already been made by the Inspector General. In such cases, staff should design the work plan to include the intended level of test work.

VERIFICATION PHASE

P. PURPOSE

This chapter describes the objectives and elements of the verification phase. This phase is also referred to by some organizations as the testing or field work phase. It includes preparing a work plan (or revising the existing work plan), implementing the steps necessary to complete the assignment, and providing OIG management a briefing on the results.

Q. BACKGROUND

OIG staff members carry out the verification phase of an assignment in accordance with a new or revised work plan developed in the preliminary inquiry phase. The work plan documents the objectives, scope, and milestones of the verification phase. The verification phase should be well planned, and be properly supervised by the Inspector General and/or the Deputy Inspector General.

R. RESPONSIBILITIES AND PROCEDURES

Potential findings identified during the preliminary inquiry phase are fully developed and quantified to the extent possible/ practical during the verification phase.

1. Preparation

Good planning is essential in that it helps keep the review organized and focused. The first task in carrying out the verification phase is planning and documenting in the work plan how the evaluation will proceed, what the main areas of inquiry will be, how the resources available to the team will be deployed, and what specific work steps will be taken to produce the information needed to prepare a good report. Significant deviation from the plan should require OIG management approval. If the OIG team makes significant changes in the objectives or scope, County officials should be informed.

The verification work plan should not be lengthy. It should, however, identify for each objective (1) the criteria (new or refer to preliminary inquiry program), and (2) specific steps to provide sufficient, competent, and relevant evidence, including plans for direct observation, document reviews, analyses, interviews, and surveys of staff.

2. Implementation

The OIG team is responsible for collecting, analyzing, and documenting the information necessary to accomplish the work plan objectives. During the verification phase, the team should ensure that the finding attributes are fully developed, all assumptions have been tested and proved or discarded, work papers contain sufficient evidence to support reportable findings and conclusions, and work papers are reviewed and comments cleared. **See Appendices X4 (Evidence Standards), X5 (Subpoena Procedures), and X6 (Interview Preparation and Follow-up Procedures).**

- a. **Time Frames.** In performing verification tests, the OIG team is to be mindful of the time frames established. An excessive overrun during this phase of the work could delay subsequent OIG tasks. Delays in completing the verification phase must be discussed with the Inspector General and/or Deputy Inspector General.
- b. **Verification.** The OIG team should complete all steps necessary to attain the objectives spelled out in the work plan. As test and verification procedures are performed, the OIG team should ensure that:
 - 1) the obtained evidence meets the basic tests of sufficiency, competence, and relevance;
 - 2) findings and conclusions are based on an objective evaluation of all pertinent facts; and
 - 3) the verification has been conducted in conformance with the procedures established in this manual and the standards prescribed by GAS and other applicable requirements.

As the OIG team gathers evidence and information, staff members should create work papers that support the work performed and the conclusions reached. The Inspector General and/or Deputy Inspector General should approve all work paper binders generated during the verification phase as the OIG team writes the draft report.

3. Entrance Conference

The OIG staff performing the preliminary inquiry may wish to coordinate the scheduling of an entrance conference¹⁰ through staff in the CAO's office. An entrance conference is a good forum at which to discuss:

¹⁰ Sometimes the OIG initiates a preliminary inquiry and the scope of the review gradually increases. In these cases, OIG staff will use professional judgment in deciding when, or if, an entrance conference is appropriate.

- a. The names and contact information of OIG staff assigned to the task
- b. The names and expertise of any external specialists expected to be part of the OIG team
- c. The expected scope and objectives of the work
- d. Anticipated inspection, investigative, or audit techniques likely to be employed
- e. The expected timing of the work
- f. Contact names and email addresses of County personnel
- g. Plans for periodic status meetings with the County agency during field work
- h. Any known up-front documentation requests and due date(s)
- i. The OIG team should also convey to the County that objectives could change and that the CAO and the County agency will be notified of any substantive modification to the objectives.

The entrance conference, if held, should be documented in the work papers and, at a minimum, reflect the names and titles of those participating in the conference; the date and time of the conference; the main contact(s) identified for the review; the topics discussed and agreed upon; and any other items discussed related to or to be considered during fieldwork.

The entrance conference denotes the official start of fieldwork.

S. COMPLETION MEETINGS

1. With agency staff and management (preliminary)

As a final step of the verification phase, and prior to creating a report outline and drafting the report, the OIG team may hold a meeting with those agency personnel who will have to implement any recommendations that may result from the report. The OIG team should discuss the facts gathered and generally outline any expected findings, conclusions, and recommendations. The intent of this meeting is to provide an opportunity to clarify or provide additional information and to comment on corrective actions taken or planned in response to the pending findings. Agency personnel should be informed that the meeting is being conducted as a courtesy and that the pending findings are tentative, do not represent an official

Inspector General position, and are subject to change. If the message changes significantly later, the OIG team should follow up with the agency managers and convey the revised message.

2. With the County agency (Exit).

Agencies are usually interested in the OIG findings, and they typically want a chance to discuss (and possibly argue against) the findings and recommendations. It is therefore important to hold an Exit Conference as soon as possible after we conclude the verification phase. The Inspector General and/or the Deputy Inspector General and cognizant Investigative Analysts usually attend the exit conference. Also in attendance should be the cognizant County officials. Meeting discussions should be documented in a work paper.

We should present and discuss our Discussion Draft Report at this conference. The objective is to discuss our findings, conclusions, and recommendations in order to solicit comment and feedback.

FINDINGS

T. PURPOSE

This chapter describes the attributes and characteristics of findings and the need for findings to be fully developed and presented in a clear, concise, and convincing manner.

U. BACKGROUND

Findings provide the substance of OIG reports. To be fully developed, each finding should consist of the finding attributes, conclusions, and recommendations. The attributes lay the foundation for a fully developed finding and are referred to as criteria, condition, cause, and effect. The finding attributes must be based on factual evidence relevant to the problem area under review. The facts developed during the review should be sufficient to (1) establish both the importance of the findings and the reasonableness of the conclusions and recommendations and (2) create a desire for corrective actions on the part of management. The conclusions and recommendations of the findings should follow logically from the facts presented in the finding attributes. Each finding should stand on its own merit when presented in a report.

V. RESPONSIBILITIES AND PROCEDURES

It is the responsibility of the OIG team to ensure that findings are fully developed. This is best accomplished by ensuring that the finding identifies what should occur (criteria); describes what is occurring (condition); explains why the condition does not meet the criteria (cause); and answers the question “So what?” (effect).

1. Fully Developed Findings

A fully developed finding must be adequately supported by sufficient factual evidence to support and prove the basis for the finding attributes, conclusions, and recommendations. The evidence must meet the tests of sufficiency, competence, and relevance.

- a) **Sufficiency.** Sufficiency is the presence of enough factual and convincing evidence to lead a prudent reader to arrive at the same conclusions as the OIG staff. Determining the sufficiency of evidence requires judgment because evidence brought together and ordered during the course of the review may be conflicting. The OIG staff members must, to the extent practical, resolve conflicting evidence or make an impartial judgment as to what position is supported by the weight of the evidence.

- b) **Competence.** Competent evidence should be reliable and the best attainable through the use of an acceptable methodology developed in accordance with this manual. OIG teams must evaluate the evidence and carefully consider whether there is any reason to doubt the validity or completeness of the evidence. When in doubt, the OIG team should take additional steps to authenticate or corroborate the evidence.
- c) **Relevance.** Relevance refers to the relationship of the evidence to its use. Facts and opinions used to prove or disprove an issue must have a logical and sensible relationship to the issue. OIG staff members should carefully take this into account when evaluating opinions expressed by County staff during interviews. Information that lacks this relationship is irrelevant and should not be used as evidence to prove or disprove points made in the finding. Evidence may also be considered irrelevant if it is not current.

2. **Developing Findings**

OIG staff members collect and analyze information and evidence during the course of a review in order to develop findings. During this process, the finding attributes will be subjected to a continuous review to detect flaws in relating criteria to the condition, and the condition to the cause and effect. In refining the attributes, the OIG staff members must consider what corrective actions should be taken by management to address the root cause of the condition and preclude the recurrence of the condition.

3. **Attributes of Findings**

GAS recognizes that the elements needed for complete findings depend on the review objectives. Recommendations are added, as appropriate, in reporting the finding.

- a) **Finding Title.** This is a description of the specific deficiency being reported.
- b) **Criteria.** What Should Be. OIG staff members can usually develop this attribute by reviewing laws, regulations, directives, County policies and procedures, memorandums, letters, and other written documents. However, in some cases, they must assert criteria based on experience, common sense, and good business practices that promote efficiency, economy, and effectiveness.
- c) **Condition.** What Is. OIG staff members normally identify this attribute by fact-finding or discussion with key personnel. In developing this attribute, steps should be directed at proving the situation under review. For example, if someone tells an OIG staff member that something happened, is it proof that a problem (deficiency) exists? Is that “something” a fact? Or, is it only a fact that somebody told the OIG staff member it happened? The OIG staff member must fully prove the existence and extent of the condition.

- d) **Cause.** Why the Condition Does Not Match the Criteria. In developing this attribute, the OIG staff member should take steps to identify “why it happened”, thus supporting the cause statement. The OIG staff member should be careful that the identified cause is the “root” cause and not just a symptom of a larger problem or another statement of condition. The root cause is usually a management system weakness that, unless corrected, will allow similar deficiencies to occur. In all cases, the OIG staff member should clearly and logically establish the relationship between the stated cause(s) and any recommendations.
- e) **Effect.** So What? The attention that a finding receives depends largely on the significance of the deficiency. Significance is judged by effect. Efficiency, economy, and effectiveness are useful measures of effect if stated in quantitative terms such as dollars, time, and number of processes or transactions. In developing this attribute, the OIG staff member should direct steps at identifying and supporting past and potential future effects.
- f) In determining the effect of any finding, OIG staff members should pay particular interest to determining if there is a negative monetary impact as part of that effect (i.e., Could money be put to better use? Are funds being wasted or not utilized efficiently and effectively?)

4. Aggregation of Findings

The OIG team should develop and then maintain in the work papers a Summary of Findings which is updated through the remainder of the task. If original findings on this Summary are not included in the final report, the Summary of Findings should say why they were not. This protects the OIG from allegations that findings were inappropriately dropped.

5. Other Matters for Consideration

The OIG team may want to address relatively minor deficiencies that were noted. Such matters are not considered findings, but rather matters such as recommendations for operational or administrative efficiency, or for improving internal control, that we believe are of potential benefit to the entity.

WORK PAPERS

W. PURPOSE

This chapter describes the general standards for work papers.

X. BACKGROUND

Work papers include all documents and papers the OIG team prepares or collects in connection with an assignment and determines to be relevant to the issuance of a report. Work papers, typically packaged in a binder, logically organized, and indexed in a table of contents, are required in situations where the OIG issues a report. In cases where the OIG does not issue a report (note that a PIM is not considered a report), documents supporting our work are retained in the case file. The term “work papers” in this manual refers to those papers packaged in a binder in support of a report.

Work papers provide a systematic record of work performed and are the link between work performed and the ultimate report. Adequate work paper planning and supervision helps to ensure that the purpose and scope of work performed is sufficiently documented to support the findings, conclusions, and recommendations presented in the final report. Accurate and reliable information must be the basis of all recommendations to management. As such, work papers must contain reliable and relevant evidence to support findings and conclusions reported. The OIG team should systematically arrange and organize work papers to facilitate their review and report referencing.

The OIG team should prepare work papers in accordance with the general guidelines contained in GAS and the requirements of this manual.

Y. RESPONSIBILITIES AND PROCEDURES

All staff are expected to know and apply the policies, procedures, and standards of work paper preparation.

1. Purpose of Work Papers

Work papers provide a permanent record of the purpose, scope, and objectives of an assignment and the extent of work performed. They contain the data, information, and evidence used to support the

findings, conclusions, and recommendations, and are the basic source of material from which the final report is prepared. Equally important, work papers reflect the quality and reliability of the work performed by the OIG staff members, and provide a management tool to evaluate, monitor, and help direct the progress of work.

One standard of the ultimate quality of work papers is stated in GAS, which states in paragraph 6.79:

“Auditors should prepare audit documentation in sufficient detail to enable an experienced auditor, having no previous connection to the audit, to understand from the audit documentation the nature, timing, extent, and results of audit procedures performed, the audit evidence obtained and its source and the conclusions reached, including evidence that supports the auditors’ significant judgments and conclusions.”

2. Planning of Work Papers

Adequate planning of work papers is necessary to achieve the required quality. The OIG staff member should know the purpose of each work paper before it is prepared. The OIG staff member should plan the work paper to provide the data required to satisfy the requirements of the work plan. A work paper may be less than one page, or many pages, depending on the content. Likewise, a work paper may consist of a series of interlinked work papers maintained in one document or a separate, stand-alone, single file.

3. Standards of Evidence

Work papers represent the accumulation of physical, documentary, testimonial, and analytical evidence gathered during an assignment. Physical evidence can be obtained by observation, photograph, or similar means. Documentary evidence consists of official records or data, correspondence, contracts, vouchers, excerpts or extracts from books, and so forth. Testimonial evidence is obtained by interviewing or taking statements from involved persons and acknowledged experts and through questionnaires. Analytical evidence includes computations, comparisons, separation of information into components, and rational arguments. Regardless of the type, the evidence must meet the basic tests of sufficiency, , competence, and relevance. GAS standards of evidence are:

- a) **Sufficiency.** Is there enough evidence to persuade a reasonable person of the validity of the findings?

- b) **Competence.** Is the evidence valid? For example, evidence obtained through the OIG staff members' direct physical examination, observation, computation, or inspection is more competent than evidence obtained through testimony (e.g., if the County agency said it was so).
- c) **Relevance.** Does the evidence used to support a finding have a logical, sensible relationship to that finding?

(We discuss evidence standards in greater detail in Appendix X4.)

4. Preparation

Work papers should be prepared in a consistent format and contain certain characteristics. Each work paper (or set of work papers) should include, at a minimum, the subject area and an index number. All work papers should be prepared as soon as practicable after an examination, review, or interview is conducted.

- a) **Physical Characteristics.** The size of each work paper may vary. However, a work paper should not be so large as to render the information unusable or confusing in bringing about the point being made. If information from other large documents (such as manuals, management directives, or reports) is pertinent to a work paper, only the pertinent sections or information from those documents should be included. If an OIG staff member believes additional information from the larger document is pertinent, those portions of the document should be linked to the work paper. Large databases, copies of draft reports, and other voluminous data may be included in the work papers in electronic format or in a bulk file.
- b) **Subject.** Work papers should clearly identify the subject of the information contained in the work paper, e.g., Schedule of Property Procured.
- c) **Source.** Work papers should specifically identify the source of the information.
- d) **Information Requests:** Most requests for information or data should be formal via email or memorandum. A copy of such along with the response is to be made part of the work papers. The request should be made directly to the County agency.

- e) **Scope.** If not clearly apparent, the scope of work should be included in the work paper or in a memorandum accompanying the work paper. For example, a scope statement might indicate that the work paper is a listing of all non-capitalized property (instead of all property) valued at more than \$10,000 (instead of any value) procured in fiscal year 2008 (instead of an indefinite period).
- f) **Summary/Conclusion.** When appropriate, work papers should include a summary/ conclusion.
- g) **Future Work Paper Considerations.** When appropriate, a work paper may contain considerations for future action by the OIG team. The considerations could address a condition that needs correction, a decision to not perform additional work in the area, or a decision to in the future extend work in the area.

5. Organization of Work Paper Files

Work paper files should contain a complete record of the assignment from the preliminary inquiry planning phase through the issuance of a final report. Well-planned and organized work papers are necessary to achieve a professional quality result. Information collected during an assignment is of little value unless it is logically organized and retrievable.

In general, the organization of work paper files will be determined by the work plan developed to conduct the review.

Work paper files should contain the final report released to the County. A copy of the final report cross-referenced to the work papers is also included in the work papers. Draft reports with reviewer comments will be retained by the OIG team until the report becomes final. **Once this occurs, all draft reports (including electronic versions), reviewer comments, and review notes will be destroyed.**

6. Indexing of Work Papers

Because of the diversity of tasks performed by the OIG, a uniform indexing plan is not practical. The indexing system used should be simple, expandable, consistently applied, and related to the work plan to ease the review and referencing process.

The indexing system for each assignment should be devised as part of the work plan. It should be based on the plan's objectives and the planned sequence of the steps. Indexing should be done on a current basis as the work papers are prepared.

Cross-indexing is the process of recording the index designations on work papers to identify supporting or related information on other work papers. Complete and accurate cross-indexing of work papers is essential for proper analysis, review, and interpretation of assignment results. Cross-indexing at each step is necessary to ensure that all pertinent facts and conclusions are accurately stated. To be most effective, cross-indexing must be kept current. At a minimum, work papers should be cross-indexed to related work papers, summary sheets, and the final report.

7. Handling of Personally Identifiable Information

Personally Identifiable Information (PII) is information about an individual which can be used to distinguish or trace an individual's identity. PII includes but is not limited to items such as social security numbers, date and place of birth, and mother's maiden name. PII does not include a person's name, title, work telephone number, official work location, and work email address. PII will rarely be included in final work papers.

OIG staff members must protect all work papers and information containing PII that is obtained during a review. PII should not be removed from OIG space, it should not be taken home if working off-site, and it must be either shredded or disposed of in accordance with County and OIG policy when no longer needed.

8. Supervisory Review

Timely review of work papers should be performed to ensure the professional caliber of OIG staff member performance. This procedure affords the opportunity to appraise work papers that do not meet the desired criteria, detect steps not correctly performed, question conclusions reached, and expand coverage as necessary. Work paper binders are reviewed by the Deputy Inspector General or the Inspector General.

The reviewer should prepare "review notes" (if necessary) about the work papers. The review notes should:

- a) Indicate where additional work or explanation is required.
- b) List or articulate questions pertaining to the work papers.

- c) Offer insights into the subject based on personal knowledge and experience.

The reviewer should discuss each review note with the work paper preparer, and gain comfort that the question or suggested change has been dealt with on the revised work paper appropriately. **All review notes will be destroyed upon issuance of the final report.**

The reviewer should sign each work paper binder reviewed.

9. Job Closing Checklist

We have cited throughout this manual certain work papers required in most if not all assignments. To help OIG staff members remember those work papers, we created the Job Closing Checklist. **See Appendix X7.** This checklist should be considered for inclusion in each set of OIG work papers.

REPORTING PHASE

Z. PURPOSE

This chapter describes the final phase of our work: reporting the results to County Council, the County Executive, and the public.

AA. REPORTING

The result of many assignments is a final report. Reports should provide a balanced and objective presentation of the matters reviewed and should be written in a tone that will foster management acceptance of the recommendations. In addition, all reports should place primary emphasis on opportunities for improvements rather than criticisms of the past. Critical comments should be presented in a balanced perspective and should, where appropriate, reflect consideration of the difficulties faced by operating officials.

The next few chapters of this Manual describe the elements of this phase. OIG staff should not underestimate the length of time and number of hours the reporting phase may require.

REPORT FORMAT

BB. PURPOSE

This chapter describes the standard report format and prescribes guidelines for preparing each part or section of a report.¹¹ It is intended to assist OIG teams in preparing professional quality reports and to ensure consistency in reports. Reports will follow the format discussed herein to the degree warranted and given the circumstances.

CC. NAMES OF INDIVIDUALS

Section 2-151(l) (4) states:

“Each employee of a County department or agency should report any fraud, waste, or abuse, to the Office of the Inspector General. After receiving a report or other information from any person, the Inspector General must not disclose that person’s identity without the person’s consent unless that disclosure is necessary to complete an audit or investigation.”

The OIG has expanded this restriction to state that the OIG will usually not include any personal names in memorandums, reports, or letters made available to the public. The OIG will, however, include positions and titles of individuals.

As a possible constraint to complainant requests for anonymity, Maryland public records law is applicable to the OIG.

DD. BACKGROUND

Test work has little meaning if the results are not reported in a clear, concise, and factually accurate manner that can be understood by both the County agency and those unfamiliar with the subject. Reports should provide a balanced and objective presentation of the matters reviewed and should be

¹¹ Preliminary Inquiry Memorandums (PIMs) are not considered reports. A PIM is instead a memorandum to interested parties describing a complaint received, inquiries made, and the results thereof. A PIM is appropriate when the OIG has performed limited procedures and inquiries, and these procedures were adequate to draw conclusions. PIMs do not represent complete inspections, investigations, or audits. PIMs do not have significant findings and recommendations.

written in a tone that will foster management acceptance of the recommendations.

EE. TYPICAL REPORT FORMATS

Reports will normally be presented in a standard OIG report format to ensure consistency.

1. Format for Audit Reports

The standard OIG report format for audits consists of the following major elements (changes in the report format may be made to satisfy unique reporting situations):

a. Report Title Page

The report title page should include the report title and the date of the report.

b. Report In Brief (Optional)

The report in brief must be concise. So that it accurately summarizes the report, it should not be written until the rest of the report has been finished. It should include the following sections:

i. Background.

Provides the reader with sufficient background to understand the organization.

ii. Why We Did This Review

States basic program information and the objective(s) covered.

iii. What We Found

Provides the criteria, condition (s), cause(s) (if known), and effect(s).

iv. What We Recommend

Presents the OIG's principal recommendations.

c. Abbreviations and Acronyms (Optional)

A list of abbreviations and acronyms may be included to help the reader. The use of abbreviations and acronyms should be kept to a minimum. Avoid paragraphs and findings that are "acronym packed" and which would cause the reader to refer repeatedly to the list of abbreviations and acronyms.

d. Table of Contents (Optional)

The table of contents is intended to provide readers with a guide to the specific sections of the report. Each finding should be enumerated; sub-sections of findings are not listed. Titles listed in the table of contents should be identical to the respective titles used in the body of the report.

e. Objectives, Scope, and Methodology (OSM)

These matters should be addressed in this section of the report but may be presented in an appendix to the report. The OSM should cite the standards followed in performing the task. The OSM should clearly explain the methodology for addressing each objective, and any limitations, such as items not examined or specifically excluded, should be clearly and explicitly identified. When sampling significantly supports OIG staff members' findings, the OSM should include a description of the sample design and whether the results can be projected to the intended population.

f. Background

Sufficient background should be included to provide the uninformed reader with an understanding of the area or entity under review and enough information necessary to appreciate the significance of the findings and recommendations. General information regarding the functions, activity, or program, governing laws and regulations, and other information should be written in non-technical terms. Care should be taken to not include more background information than required to understand the ensuing findings.

g. Findings and Recommendations

Each finding should be descriptive and contain a finding (or charge) paragraph, discussion section, and recommendation(s).

h. Other Matters for Consideration

The OIG team may wish to cite certain relatively minor deficiencies if it is thought they will be of potential benefit to the entity. These matters might include recommendations for improving operational or administrative efficiency.

i. Summary/Conclusion (Optional)

For reports with multiple findings and recommendations (i.e., complex reports), a summary or conclusion may be developed to recap and emphasize the most important messages contained in the report.

j. Consolidated List of Recommendations (Optional)

For ease of reference during the report resolution process, reports with many recommendations may include a consolidated list of recommendations. In this section, each recommendation will be repeated verbatim, using the same recommendation numbers and wording as in the body of the report.

k. Management Response

County Code Section 2-151(k) and GAS require us to, when we receive written comments from responsible officials, include in our report a copy of those comments. The OIG may provide an evaluation of the response. Balance should be achieved between the length of management's comments and the OIG's evaluation thereof.

l. Standard Appendices

The department or agency's comments are generally presented in original form. If more than one department or agency is affected, and provides comments, both sets of formal comments should precede other appendices.

Other appendices may be used to present data not specifically related to the findings, such as organization charts or flow

charts. Appendices may be further used to present considerable detailed statistical data or explanatory material. In these cases, the information contained in the appendices should be summarized in the report findings and referenced to the appendices.

2. Format for Investigative Reports

The standard OIG report format for investigations consists of the following major elements (changes in the report format may be made to satisfy unique reporting situations). These are as described in the above section on audit reports, unless otherwise noted:

- a. Report Title Page**
- b. Report in Brief or Introduction**
- c. Table of Contents**
- d. Relevant Statutes**

For most reports, relevant statutes will be placed here, but they may be later in the report, including at the end, depending on where they are needed for the reader's understanding.

- e. Background**
- f. Summary of Findings**

This may include OIG analysis.

- g. Findings and Recommendations**

This may include a Factual Findings section.

- h. Objectives, Scope, and Methodology**

Alternatively, some or all of this information may be in an appendix.

Standard Appendices

This will include the management response.

REPORT PROCESSING

FF. PURPOSE

This chapter describes the procedures and responsibilities for completing and processing reports. It is intended to assist OIG staff members in issuing quality reports as expeditiously as possible.

GG. BACKGROUND

Draft reports undergo a specific review process prior to their transmittal to the County department or agency for comment. The purpose of the review process is to identify any improvements needed in the report's structure, substance, perspective, balance, readability, and adherence to OIG policies and to ensure that the contents are consistent with overall OIG positions, GAS, and other applicable requirements.

HH. RESPONSIBILITIES AND PROCEDURES

The Inspector General is ultimately responsible for ensuring that all reports meet the high quality standards of the Office of the Inspector General and are consistent with the reporting standards of this manual, GAS, and other applicable requirements. The report review process is designed to support this responsibility.

1. Early Drafts

The OIG staff member prepares an early draft report and forwards it to the Deputy Inspector General for review. After agreed-upon changes are incorporated, the draft is provided to the Inspector General for review and comment.

2. Discussion Draft Report

After comments from the internal OIG review have been incorporated into the early draft, it is transmitted, in the form of a discussion draft, to appropriate department or agency officials for review and comment at an exit conference. The discussion draft will be prominently labeled as "DRAFT." If there is serious disagreement on the report's findings, conclusions, or recommendations that cannot be resolved during the exit conference, the OIG team will coordinate additional meetings and

revised draft reports, as needed. The OIG team will incorporate, as appropriate, those management views and positions which can be clearly established and verified (referenced) into a final draft report.

Once comments are received and incorporated, as appropriate, the draft is forwarded to the independent referencer.¹² All comments should be resolved and any major changes that add factual data or change conclusions must be indexed to the working papers and checked by the referencer.

3. Final Draft Report

A final draft report will be issued to management for comment and will contain modifications based on previous meetings. The final draft report will again be prominently labeled as “DRAFT.” County department or agency officials are given a reasonable period of time (typically not fewer than 30 days including the period given for evaluation of the discussion draft but dependent upon such factors as length of report, complexity of the subject matter, and/or number of program officials impacted) to respond in writing to the final draft report. The OIG will negotiate a reasonable extension to the response date when requested to do so by the officials. If the officials decline to provide written comments, the OIG will note in the report that management declined to provide a formal response. If written comments are not provided within the time period agreed to by County officials (if officials have not attempted to negotiate a different time period, that fact constitutes tacit agreement to the time period requested by the OIG) and it appears unlikely that a response will be provided without unreasonable delay, the OIG will note in the report that management did not timely provide a response and the OIG may, at its discretion, issue the report as a final confidential report to County officials and then subsequently release the report to the public.

4. Final Reports with Management Responses

The final report with management responses included as an appendix (or in some cases appendices) to the report will be issued as a final confidential report to County officials.

The transmittal memorandum from the OIG will specify the anticipated public release date of each report (usually three to five days following distribution to County officials). The purpose of the delayed release is to provide officials a sufficient number of days prior to public release to enable them to review the report, consult the IG regarding the findings

¹² The report may be referenced before the exit conference, but that is not formally required.

and recommendations, if necessary, and be prepared for any questions they may receive upon public release. Paper copies will be issued to each member of the County Council and to the County Executive, indicating the anticipated date for the earliest public release of each report. Copies, either paper or electronic, will also be issued to the County's Chief Administrative Officer, and/or Chief Operating Officer of each agency affected by the report. The Senior Legislative Attorney, Assistant Chief Administrative Officer, and other appropriate officials may also receive copies.

5. Final Report Without Management Responses

If affected County officials do not respond to an OIG report at least thirty calendar days following release of the final confidential report without a management response, this version of the report may be publicly released. If management responses are subsequently received, the responses to the report and IG comments addressing those responses will be distributed to those officials who received the final report. Those materials will be appended to the previously released final report and publicly released.

Each final report is posted on the OIG's website.

REPORT REFERENCING

II. PURPOSE

This chapter prescribes guidelines for independent referencing of reports.

JJ. BACKGROUND

Independent referencing is an important quality control procedure that helps to ensure that report contents are accurate and adequately supported. Independent referencing is the review of a report by an individual who has not worked on any part of the task. Independent referencing checks the accuracy of the report by tracing statements back to supporting documentation in the work papers to ensure that:

- Factual data is presented accurately and fairly.
- Reports include only information, findings, and conclusions that are adequately supported by the work papers to demonstrate or prove the correctness and reasonableness of the matters reported.

All formal OIG reports will be independently referenced. The need for and extent of independent referencing of letters resulting from inspections, evaluations, and other products conducted by independent contractors/consultants to the OIG will be decided by the Inspector General on a case-by-case basis. Memorandums (including PIMs) and letters issued by the OIG are not required to be referenced but may be referenced to ensure adequate support of significant points.

KK. RESPONSIBILITIES

The Inspector General and/or Deputy Inspector General are responsible for quality control and ensuring that reports meet referencing requirements. The independent referencer does not have ultimate responsibility for report contents but serves as an advisor to the Inspector General and/or the Deputy Inspector General.

1. Inspector General and/or the Deputy Inspector General

- a) Ensure, when applicable, that independent referencing is conducted.
- b) In coordination with OIG staff, select the referencer.
- c) Resolve any impasse between the referencer and the staff.
- d) Ensure that a supervisory review of the report has been completed prior to independent referencing.
- e) Review and concur with the team's disposition of referencer's points.

2. Independent Referencer

- a) Reviews for adequacy the indexing of the report. Indexing is the process of linking work papers to the report by indicating where evidence can be found in the work papers for each statement in the report.
- b) Checks the accuracy of figures and statements of fact.
- c) Clearly marks reviewed material.
- d) Advises the Inspector General and/or the Deputy Inspector General whether or not findings, information, and data are fairly and accurately presented.

LL. GENERAL PROCEDURES

In selecting a referencer, the Inspector General and/or the Deputy Inspector General consider the complexity and visibility of the report to ensure the judgment required is commensurate with the staff member's levels of experience. The referencer should not have worked on the task in any capacity.

If the referencer is not convinced of the accuracy of, or support for, a statement in the report, the referencer is to only drop his concerns when adequate evidence has been presented and the questioned text has been indexed to that evidence, or when the report is modified to more accurately reflect the content of the evidence. Oral elaboration and explanations often are useful, but the referencer cannot accept oral statements alone.

Dissenting views should be recorded when the referencer believes that stated facts, figures, direct quotes, proper names, and titles are inconsistent with, or unsupported by, the factual material examined. If the OIG team and referencer cannot agree on resolution of all items, the Inspector General or the Deputy Inspector General should resolve such impasses and provide final resolution authority.

As a final step in the independent review process, the referencer should indicate in the work papers that the final report has been independently referenced. The independent referencer should be aware of every change that adds factual data or significantly changes conclusions made to a report after the initial referencing. **The referencer should sign the final version of the report which the OIG team places in the work papers, or the referencer should sign a statement indicating that the referencer referenced the report as of a specified date.**

REPORTS, MEMORANDUMS, AND LETTERS

MM. PURPOSE

This section describes the types of reports, memorandums, and letters the OIG issues.

NN. STANDARD REPORTS

During the year, the OIG researches many leads and complaints. In almost all cases, this research is unplanned because it is performed in reaction to information provided by outside sources. The information provided may accuse an individual or county agency of poor customer service, violation of County Code or regulations, ethical lapses, inefficient or ineffective procedures, or questionable operating practices and internal controls. In addressing these leads and complaints beyond the preliminary inquiry phase, we will perform inspection, evaluation, and review procedures.

Less frequently, the OIG receives complaints involving alleged intentional violations of criminal or civil laws or administrative requirements. The complainants frequently assert wrongdoing; violations of laws, rules and regulations, policies, and procedures; or other abuses that impact negatively on the ability of the County to effectively and efficiently carry out its mission. The focus of our response in these types of matters is an investigation that may include the integrity of programs, operations, and personnel; procurement, contract, and grant fraud; whistleblower retaliation; or other matters involving alleged violations of laws, rules, regulations, and policies. In these cases, we may work and discuss our planned procedures with law enforcement personnel.

Audits provide information used for oversight, accountability, and improvements of government programs and operations. GAS identifies three types of audits that may be performed in accordance with audit standards: performance audits, attestation engagements, and financial audits. The OIG primarily conducts performance audits, which are defined as audits that provide findings or conclusions based on an evaluation of sufficient, appropriate evidence against criteria. Performance audits are performed to improve program performance and operations, reduce costs, facilitate decision making, and contribute to public accountability. Performance audit objectives vary widely and include assessments of program effectiveness, economy and efficiency, internal control, compliance, and prospective analyses.

As stated earlier in this manual, the OIG uses two standards to guide our work that results in a standard report:

- GAS, issued by the U.S. Government Accountability Office (GAO), and
- *Principles and Standards for Offices of Inspector General*, issued by the Association of Inspectors General

The OIG typically cites these standards in the objectives, scope, and methodology section of a standard report.

OO. ADVISORY MEMORANDUMS

Advisory memorandums address findings that are important but of less significance than those in standard reports. Through an advisory memorandum, the OIG can advise County management of findings that have been corrected yet need to be monitored and followed up. Advisory memorandums may also be used to advise County management of troubling situations of which we became aware and action steps that are minor but need to be taken nevertheless.

The OIG typically cites *GAS* and *Principles and Standards for Offices of Inspector General* in the objectives, scope, and methodology section of an advisory memorandum.

Advisory memorandums have covers and bear numbers sequentially in line with standard reports.

PP. PRELIMINARY INQUIRY MEMORANDUMS (PIMS)

The OIG receives approximately 70-80 complaints per year that are deemed worthy of consideration and are thus entered into the OIG log. Planned audits and inspections are also entered into the log. If the OIG determines that it wishes to consider a matter that has been logged, the first step is to perform a preliminary inquiry (PI). See the chapter of this Manual entitled Preliminary Inquiry Phase.

The last step of a PI is to make a go/no-go decision on a full inspection, investigation, or audit. In many (perhaps most) cases, the OIG decides the matter does not deserve further work. Possible reasons for this include that the allegation was untrue, that the matter is insignificant, or that the problem has been (or is being) corrected.

In these cases, the OIG may issue a PIM. PIMs usually contain a complaint summary and background, what we learned, and remaining issues if any. They are typically shorter in length than routine OIG reports, requiring less OIG

assembly time and providing recipients with an attractive and easily-digested document. They may contain lesser findings or recommendations. They are merely memorandums, not reports, and they are in a memorandum format: From... To.... Thus, the inspections, investigations, and audit standards do not apply to PIMs.

PIMs have no covers and bear their own unique numbering sequence. The OIG typically does not cite GAS and *Principles and Standards for Offices of Inspector General* in the objectives, scope, and methodology section of a PIM.

Note: the concept of PIMs was introduced in the fall of 2014. Similar documents in the past were called “Advisory Memos” and “Reports of Inquiry”.

QQ. NOTICE OF FINDINGS AND RECOMMENDATIONS (NFR’S)

Sometimes during the course of a review the OIG learns of a practice or condition that should be immediately addressed by County management. In those cases, a Notice of Findings and Recommendations (NFR’s) may be issued. NFR’s are intended to provide County Departments with early notification of findings and recommendations so that corrective measures, if appropriate, can be taken in a timely fashion.

NFR’s are addressed to County Department management with copies to the Chief Administrative Officer and Assistant Chief Administrative Officer. NFR’s are not individually issued to the public.

RR. “SUNSHINE” LETTERS

The OIG occasionally receives a citizen complaint stating that a County department has not acted on an urgent or significant matter. In these cases, the citizen usually has previously contacted the department but has seen little or no action. If, after researching the issue, the OIG agrees that the County department has not addressed the matter and the matter is serious, the OIG may issue a “sunshine” letter. With such letters, the OIG merely responds to the citizen with a copy sent to the department head and perhaps the County Chief Administrative Officer.

The body of the letter expresses the OIG’s confidence that the department will consider the matter shortly and respond to the complainant. The letter also asks the complainant to let the OIG know if he/she does not hear from the department in a reasonable time.

SS. LETTERS OF DECLINATION

People occasionally formally ask the OIG to investigate, or at least inquire about, matters that do not meet the OIG's criteria:

- A matter must engender a significant suspicion of a violation of law, regulation, or rule, or inefficiencies or ineffectiveness.
- A matter must not be in adjudication by a court of law.

In the event a matter does not meet the above criteria, the OIG may send a letter of declination to the complainant. The OIG may decide to provide the Executive and Council a copy of the letter so that they will be aware of its impending release.

Letters of declination may or may not be formally labelled as such. They may be made publicly available on the OIG web site.

REPORT FOLLOW-UP

TT. PURPOSE

This chapter describes the OIG report recommendation resolution and follow-up process.

UU. BACKGROUND

Recommendation resolution and follow-up is an integral part of the audit and investigation process. The US Government Accountability Office (GAO) said the following in a publication titled "How To Get Action On Audit Recommendations"¹³:

"Monitoring and Follow-Up System: The audit organization should have a system that provides the structure and discipline needed to promote action on audit

¹³ Comptroller General of the United States. *How To Get Action on Audit Recommendations* (Washington, DC; US Government Printing Office, 1992), 8-9

recommendations. It should make sure that recommendations are aggressively pursued until they have been resolved and successfully implemented. Also, auditors should assess whether the agencies have a follow-up system that adequately meets their basic responsibility for resolving and implementing audit findings and recommendations.”

VV. RESPONSIBILITIES AND PROCEDURES

1. Recommendation Resolution Process

In each of our reports, we encourage management to respond in writing to our findings and recommendations. We include each written response in our report, or, if appropriate, we summarize management’s response. In either case, we strive to achieve acceptance of our recommendations.

To achieve change, we may ask management to provide us with a Corrective Action Plan to resolve our audit findings and implement each of our recommendations. We may comment on this Plan as to its likelihood of timely success. We expect management to implement the promised corrective actions, perform follow-up, and distribute periodic progress reports.

Section 3: OTHER MATTERS

CONFIDENTIALITY AND FILE RETENTION

Taking into consideration the benefit confidential reporting brings to the effectiveness of the OIG, privacy requirements under Montgomery County Code §2-151 and the Maryland Public Information Act, and records retention requirements of the County, this policy will govern the retention of OIG records.

WW. GENERAL

- Every case will be given a case number.
- If complainants ask about confidentiality, OIG staff members will say that we will maintain all matters as confidential to the extent of the law. However, the OIG cannot guarantee confidentiality.
- The OIG will retain reports, documents of continuing use or value, and official County correspondence created by the Inspector General, consistent with the County's records retention requirements in the *Records Retention and Disposal Schedule*, from the County Department of General Services. This schedule states that the County is required to keep "Official County Correspondence – Correspondence created by the Executive, Director, or their designee", but it does not define "Official County Correspondence."

After consultation with the Office of the County Attorney, the OIG determined we will retain as "Official County Correspondence" the following:

- Memoranda and letters **signed or initialed by the Inspector General**, including those sent as attachments to emails; and
- Memoranda and letters sent by others that are signed or initialed and that state they are being sent on behalf of the Inspector General.
- Effective January 2018, it is the responsibility of everyone working at the OIG to put electronic copies of documents that are official County correspondence created by the Inspector General in a folder on the shared F drive labeled for the retention of those documents.

XX. HANDLING OF OPEN CASES

Work papers and documents developed or received during an assignment are the official records of the OIG and must be adequately safeguarded to ensure that they are not lost, stolen, altered, destroyed, or accessible to unauthorized persons.

Under most circumstances, the use of work papers and documents will be restricted to OIG employees. Some data contained in the work papers and documents, however, could be useful to others in the performance of their official duties. Only the Inspector General or Deputy Inspector General can authorize the furnishing of information to others who have an official need to see the work papers or documents. When access is authorized, copies, excerpts or extracts of the work papers or documents may be made within reasonable limits.

YY. HANDLING AND DISPOSAL OF RECORDS


- The following requirements for disposal of records are applicable regardless of medium or type (e.g., paper, electronic, audio, video).
- When a case is closed, the files will contain a broad description of the conclusion(s) reached. This description may be in the form of a separate typed close-out memorandum or note, perhaps hand-written, inserted in the paper file; and, if appropriate, a brief summary in the Complaint Intake and Processing log on the “F” drive.
- OIG documents will be retained at least until January 1 of the seventh calendar year following the year of the last final report (if one was issued) or the year of the complaint, whichever is later. They will be destroyed on that day (or as near to it following that day as possible), except for the following:
 - a) Documents needed for current business,
 - b) Documents retained to be consistent with the County’s records retention requirements, and
 - c) Documents that related to the office’s institutional history.
- For example, if the OIG issued a final report in calendar year 2013, documents on that matter may be destroyed January 1, 2020 or shortly thereafter. Documents to be reviewed for

possible destruction include electronic and hard copies of the following:

- a) Complaint files for closed inquiries,
 - b) Complaint files for which inquiries were not opened,
 - c) Work papers for closed inquiries, and
 - d) Staff members' files related to the above.
- Information in the Complaint Intake and Processing log on the "F" drive will be retained indefinitely, unless the Inspector General decides otherwise.
- Consistent with the County's *Records Retention and Disposal Schedule*, OIG staff will screen email messages every three years and destroy the email messages that are over three years old unless
 - a) The messages are needed for current business,
 - b) The messages are required to be retained under the County's records retention requirements, or
 - c) The Inspector General decides that the messages need to be retained longer.
- Staff may more frequently destroy transitory messages in their own office email accounts that are not in the above categories, for example, messages regarding setting up a meeting or reviewing a draft, which do not have lasting value.
- Documents for investigations or other inquiries that the OIG has performed for another organization, such as the Ethics Commission, should be labeled as the property of that organization and should be offered to that organization. The OIG will transfer to that organization the documents that the organization requests. If the organization declines to receive the records, we will destroy them, consistent with our records retention policies and the County's requirements. The OIG may keep a minimal record to document the request for support and that the particular inquiry was done.

Appendices

X1. COMPLAINT

	Montgomery County Maryland Office of the Inspector General	Date Complaint Received: _____ Intake Number: _____ , 2017 OIG – 18 – 0
Complaint Intake		
Source of Complaint:		
<input type="checkbox"/> MCOIG Hotline / Telephone discussion <input type="checkbox"/> Voice Mail on MCOIG office telephone <input type="checkbox"/> Referral from MCG source (specify) _____ <input type="checkbox"/> Personal visit to OIG <input type="checkbox"/> e-mail to OIG <input type="checkbox"/> Mail		
Nature of Complaint or Allegation:		
Reviewer Determination:		
<input type="checkbox"/> Potential violation of law, regulation or rule <input type="checkbox"/> Potential misconduct by County official or entity <input type="checkbox"/> Misdirected complaint: within purview of a different entity (specify) _____ <input type="checkbox"/> Potential issue of economy, efficiency, or management <input type="checkbox"/> Matter does not warrant MCOIG action / insufficient information provided to warrant further action.		
Proposed Action:		
<div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> No action proposed (advise Complainant and close item) <input type="checkbox"/> Open preliminary inquiry <input type="checkbox"/> Refer to Appropriate Entity: response to IG within 60 days requested </div> <div> <input type="checkbox"/> Hold for Future Work Effort <div style="display: flex; justify-content: space-around; font-size: small;"> <input type="checkbox"/> Work Plan <input type="checkbox"/> Park <input type="checkbox"/> Watch </div> </div> </div> <div style="margin-top: 5px;"> Ref _____ </div>		
Message for Complainant Regarding OIG's Proposed Action:		<input type="checkbox"/> "Sunshine"


Signature: Reviewing/Recommending Official

Date

Signature: Approving Official


Date

X2. INDIVIDUAL ASSIGNMENT INDEPENDENCE FORM

	Montgomery County Maryland Office of the Inspector General
Statement(s) of Independence & Referencer	
Project Identification:	
Statement of Assigned Staff Member	
<p>I have reviewed the standards of independence as addressed in Section I of the OIG's Procedures Manual, as applicable. I am not aware of any personal or external factors that might impair my ability to meet applicable independence standards during my participation in this project.</p>	
Print Name: _____	Date _____
Signature: _____	
Statement of Additional Assigned Staff Member	
<p>I have reviewed the standards of independence as addressed in Section I of the OIG's Procedures Manual, as applicable. I am not aware of any personal or external factors that might impair my ability to meet applicable independence standards during my participation in this project.</p>	
Print Name: _____	Date _____
Signature: _____	
Statement of Reviewer/Referencer:	
<p>1. I referenced the report/memo indicated above and found that the report as of the date below was supported by the work papers. Referenced as of the following date: _____</p> <p>2. I have reviewed standards of independence as addressed in Section II of the OIG's Manual for Audits and Investigations, as applicable. I am not aware of any personal or external factors that might impair my ability to meet applicable independence standards during my participation in this project.</p>	
Print Name: _____	Date _____
Signature: _____	
Inspector General's / Deputy Inspector General's Verification:	
<p>To the best of my knowledge the staff named above has/have no personal, external, or organizational impairments which might impair or give the appearance of impairing the independence of her/his/their work on this project.</p>	
Print Name: _____	Date _____
Signature: _____	

F:\OIG\Forms, Templates & Labels\Forms\Statements of Independence and Referencer.docx

X3. ANNUAL EMPLOYEE INDEPENDENCE CERTIFICATION



Montgomery County Maryland
Office of the Inspector General

Annual Statement of Independence

Annual Statement of Independence

I have reviewed the standards of independence as addressed in Section I of the OIG's Procedures Manual, as applicable.

During calendar year _____, I was personally independent with respect to all tasks performed as an employee of the Office of the Inspector General.

 Name:

 Date

X4. EVIDENCE STANDARDS

Evidence is information gathered to support an inspection, investigative, or audit finding or conclusion. There are four basic types of evidence that can be gathered or prepared to support positions: physical evidence, documentary evidence, analytical evidence, and testimonial evidence.

ZZ. PHYSICAL EVIDENCE

Physical evidence is information obtained by direct inspection or observation of activities of people, property, or events, and is usually combined with some form of documentation. Examples include actual samples, photographs, charts, maps, and memorandums of observations.

Generally physical evidence is very reliable but beware of staged exhibitions. To help ensure that such evidence provides a conclusive and appropriate factual basis for a position, the staff member should consider the following:

- Having at least two staff members attending the observation;
- Having agency or contractor personnel accompany the staff members to the point of the observation for corroboration purposes;
- Preparing a memorandum detailing what was observed and where the observation and evidence collection occurred; and
- Asking, when deemed necessary, appropriate agency or contractor personnel to sign the memorandum.

AAA. DOCUMENTARY EVIDENCE

Documentary evidence is printed or written material originating inside or outside the agency being audited or investigated. Examples include letters, memorandums, contracts, accounting records, invoices, computer printouts, laws, regulations, policies, procedures, etc.

Documentary evidence is the most common form of evidence used in support of a report. Professionals should be alert for indications that the documents may have been altered. Also, documents are sometimes inaccurate, incomplete or outdated, and the meaning of the information can easily be taken out of context. Staff members should attempt to corroborate documented pieces of

information with other documents or testimonial evidence from agency officials or both.

BBB. ANALYTICAL EVIDENCE

Analytical evidence is analysis or verification of other types of evidence. Examples include computations, reasoning, comparisons of data with established standards (laws, past activities, etc.) and separation of information into components.

The development of sound analytical evidence requires the application of logical and applied reasoning on the part of the staff member. It is often the most powerful form of evidence used to demonstrate that evidence is sufficient to support findings, recommendations, and conclusions.

CCC. TESTIMONIAL EVIDENCE

Testimonial evidence is information obtained from others through statements received in response to inquiries or through interviews, conferences, or other forms of discussion. Examples include interview write-ups or questionnaires.

Testimonial evidence is often very helpful, but it is subject to misunderstanding by the parties involved. The most reliable way to gain testimonial evidence is to request that the interviewee draft an affidavit, allowing him to recount events and make statements in his own words. Because affidavits require additional time, effort, and resources, their use is impractical for many situations. It is more common to take handwritten notes during the interview and subsequently draft a document summarizing the interview results based upon those notes and the interviewer's recollection. Write-ups should be prepared promptly to ensure accuracy. The reliability of a write-up can be improved by having the person interviewed acknowledge agreement by signing it. For important interviews it is advisable to have two staff members present.

The source of critical statements is important. Does the person(s) interviewed have the knowledge and authority to speak for the agency? If not, additional contacts should be made. Statements should be corroborated when possible by checks of records or physical tests.

DDD. BASIC TESTS OF EVIDENCE

Evidence should meet the basic tests of competence, relevance, and sufficiency.

1. Competence

To be competent, evidence should be reliable and the best obtainable through the use of reasonable methods. In evaluating the competence of evidence, staff members should carefully consider whether there is any reason to doubt its validity or completeness. If there is, staff members should obtain additional evidence.

The following are useful in judging the competence of evidence, but they are not to be considered sufficient in and of themselves to determine competence:

- a) Evidence obtained from an independent source is more reliable than that secured from the agency.
- b) Evidence developed under a good system of management control is more reliable than that obtained where such control is weak or unsatisfactory.
- c) Evidence obtained through physical examination, observation, computation, or inspection is more reliable than evidence obtained indirectly.
- d) Original documents are more reliable than copies. Testimonial evidence obtained under conditions where persons may speak freely is more credible than testimonial evidence obtained under compromising conditions, e.g., where the persons may be intimidated.

2. Relevance

Relevance refers to the relationship of evidence to its use. The information used to prove or disprove an issue must have a logical, sensible relationship to that issue.

3. Sufficiency

Sufficiency is the presence of enough factual, adequate, and convincing evidence to lead a user of the report to the same conclusion as the report's conclusion. Determining the sufficiency of evidence requires judgment. When appropriate, statistical methods may be used to establish sufficiency.

X5. SUBPOENA PROCEDURES

EEEE. Authority

If the Inspector General requests information concerning a County department or agency and does not receive it, Section 2-151 (I) of the County Code empowers the Inspector General to issue a subpoena to require any person to appear under oath as a witness or produce any record or other material in connection with an audit or investigation. Any subpoena issued under this Section may be enforced in any court with jurisdiction.

FFFF. Records Subject to Subpoena

Generally, this subpoena authority applies to any document or other information concerning the operations, budget, or programs of a department or office in County government or an independent County agency.

GGGG. Policy on Use of Subpoenas

A subpoena will not be issued by the Inspector General until such information obtainable by other means has been examined and analyzed.

HHHH. Procedures for Issuing a Subpoena

Written requests by auditors/investigators for issuance of a subpoena shall contain the following information:

1. Background of Subject Matter Under Audit/Investigation

This section of the request shall set forth a concise history of the audit/investigation to date. It shall include the authority of the audit/investigation, an identification of the contracts and individuals involved, the ultimate goals of the audit/investigation, and a summary of the audit/investigation completed to date.

2. Justification for Subpoena Request

This section of the request shall describe the records or other materials sought by subpoena and explain why such information cannot be obtained by other means. Any lack of cooperation by the party under audit/investigation or the custodian of desired records or other materials shall be discussed. The request shall specify the particular audit or investigative goals that will be furthered by the subpoena.

In requiring the production of records or other material by subpoena, the Inspector General is not required to determine that there is probable cause to believe that a violation of a criminal or civil statute or administrative regulation has been committed or that the information sought constitutes evidence of such violation. Instead, it need only be determined that the record or other material sought is reasonably necessary to further appropriate auditing, investigative, or related activities of the Office of Inspector General.

3. Description of Requested Information

This section of a request for subpoena shall describe as precisely as possible the record or other material to be obtained by subpoena. While individual documents need not be identified, the requested information shall be divided into reasonable categories, e.g., telephone records, facsimiles, e-mail records, calendar records, payroll records, payment invoices, bank statements, or income tax returns.

The records or other material shall be identified as completely as possible by date and party.

Consideration shall be given to the use of “including but not limited to...” language in the subpoena to assure that either specifically known records or other relevant material (that may not be individually known or identifiable) may be obtained.

4. Time and Place for Appearance and/or Delivery

A time and location shall be specified in the subpoena for personal appearance and/or delivery of subpoenaed information. The location for delivery of documents should usually be at the Office of the Inspector General. In unusual circumstances, e.g., involving voluminous documents, arrangements may be made to allow a return on the premises of the recipient of the subpoena.

III. Approval and Processing of Subpoenas

A subpoena request shall be reviewed by the Inspector General for completeness, legality and validity and shall be issued only upon approval and signature of the Inspector General. Such document shall include necessary statutory authorization, specification of records or other material being requested, attachments/appendices describing the documents sought, appropriate correspondence, and staff memorandums, if any, recommending approval of the subpoena by the Inspector General. A place to enter a specific date and time for return of service shall be included.

JJJ. SERVICE OF Subpoenas

The Inspector General shall determine the most appropriate method for service to be accomplished, e.g., by personal service at the government office; or by registered or certified mail or other means. If personal service is chosen, the subpoena shall be delivered, with attachments, to the addressee as expeditiously as possible.

If service is effected by mail, the subpoena and attachments shall be mailed to the recipient via certified mail, return receipt, restricted delivery. If service is to be made upon a government office, it should be delivered during business hours and to the addressee.

KKK. COMPLIANCE WITH THE SUBPOENA

The date for compliance with the subpoena shall be within a reasonable time after the date of service. Prior to the date of compliance, the auditor/investigator may be asked to examine the record or other material upon the premises of the recipient to verify the existence and volume of the information requested. On the designated date and time, the requested records or other material shall be delivered to the Office of the Inspector General. The delivering party shall be given a receipt for all records and other material delivered.

The auditor/investigator should be prepared to receive such delivery on the designated date and have adequate personnel resources available to begin a complete examination of the submittal. While no precise time limit can be set for the completion of the examination of the submittal, the auditor/investigator shall proceed as expeditiously as possible to complete such analysis.

In most cases, an un-redacted, complete copy of requested documents is acceptable in lieu of original records. When copies are provided, the custodian of the documents must certify that the records are complete and unaltered. However, the original records or other material must be made available for verification, if requested.

LLL. SUBSEQUENT QUESTIONING

In many instances, the delivery of the subpoenaed information is a relatively simple matter. The submittal should include a certification of the subpoenaed party's capacity to certify the documents and a sworn statement indicating that the information is accurate, complete and in full compliance with the subpoena.

If the auditor/investigator finds that the submittal is not complete or in full compliance with the subpoena, the subpoenaed party will be placed under oath and questioned. Such questions shall be limited to an inquiry as to the accuracy, validity and completeness of the submitted records or other material.

In questioning the subpoenaed party, the examination format should establish that (1) such party is an official employed to certify the records; (2) the records or other material are kept in the normal course of business; and (3) such information is complete and unaltered and constitutes full compliance with the subpoena. In the alternative, there shall be specified areas in which compliance has not been completed.

The subpoenaed party has the right to be represented by an attorney at the proceeding. However, the OIG auditor/investigator has the responsibility of ensuring that the subpoena has been complied with in full. Any objection by the attorney to any question concerning subpoena compliance will be noted in the record. If the party refuses to answer any question a similar notation will be made in the record.

MMM. HANDLING OF RECORDS OR OTHER MATERIAL

Upon receipt, subpoenaed records or other material will be marked individually or by category, assigned an exhibit number, and indexed. It is necessary that an accurate record is compiled of the records or other material received.

In utilizing subpoenaed records or other materials, evidentiary control shall be maintained over all such information.

Access to the materials shall be carefully controlled in accordance with standard evidentiary custodial procedures. Upon completion of the examination of the submitted records or other materials, the Inspector General shall determine which information shall be kept for later use, and which information may be returned to the subpoenaed party. A receipt shall be obtained for all information returned to the subpoenaed party. Copies of records may be destroyed rather than returned to the subpoenaed party.

NNN. SUBPOENA FOR TESTIMONY

The Montgomery County Code empowers the Inspector General to issue a subpoena requiring the attendance and testimony of witnesses on pending audits, investigations, and related activity.

OOO. FAILURE TO COMPLY

When a subpoenaed party refuses to comply, fails to appear, or fails to provide records or other material as required by the subpoena, the Inspector General may initiate subpoena enforcement actions in any court with jurisdiction.

X6. INTERVIEW PREPARATION AND FOLLOW-UP PROCEDURES


- In the case of an audit or inspection, it may be beneficial to send questions to the appropriate person and ask for answers in writing. Indicate that there may be more written questions and/or an interview, for clarification, follow-up, or if additional information is needed. After reviewing the written answers, there may be a need to schedule an interview and/or send more questions, as needed.
- Before an investigative interview, we may send some questions to the interviewee or request that they have certain records available for inspection. In this case, the notice should indicate that these are possible questions, and that there will likely be others. It may be useful to send questions that the interviewee might need to consult records to answer.

For some interviews, the interviewer should be prepared to provide the interviewee a written notice stating the goals, powers and duties of the Inspector General and a warning of the interviewee's obligations under Montgomery County Code § 2-151.

- For some interviews, consideration should be given to whether a *Garrity* warning should be provided to the interviewee. This only applies in the case of a government employee who is being interviewed regarding potential misconduct committed by that employee which could be criminal in nature. The *Garrity* waiver is intended to inform the interviewee that despite his or her statutory duty to provide information to the Inspector General, he or she nevertheless retains Constitutional protections and may not be compelled to testify against him- or herself regarding a criminal matter.
- Certain other notification requirements, such as under *Kalkines*, may apply to other interviews.
- While it is permissible for an OIG employee to record an interview, under Maryland Code, Courts & Judicial Proceedings Article, Section 10-402(c)(3), the prior consent of all of the parties to the communication is required.

- During any interview, take thorough notes. When two OIG employees are present in the interview, it is the usual practice for one employee to take notes while the other conducts the interview.
- After the interview, review the written interview notes to make sure they adequately reflect the questions asked at the interview and the interviewee's answers. In some cases, it may be prudent to type up a report of interview, send it to the interviewee, and ask the interviewee to make any corrections and to indicate in writing that the answers are correct. Another option is to request the interviewee to sign an affidavit reflecting his testimony regarding the matter at the close of the interview.

X7. JOB CLOSING CHECKLIST

	Montgomery County Maryland Office of the Inspector General
Job Closing Checklist	
<hr/>	
<div><input type="checkbox"/> All members of the OIG team must confirm their independence in writing, preferably at the initiation of the assignment. ✓ Location of independence statements. _____</div> <div><input type="checkbox"/> The team must prepare a written audit or investigation plan updated as needed throughout the assignment. ✓ Location of work plan. _____</div> <div><input type="checkbox"/> The team must conduct and document the proceedings of all of the significant meetings required by standards. These may include an entrance conference, end-of-fieldwork conference, and exit conference. ✓ Locations of the meeting documentation. _____</div> <div><input type="checkbox"/> The work papers must contain a summary of all draft findings and explain why a finding was not reported if the finding was determined to be inappropriate for the final report. ✓ Please provide the location of this summary. _____</div> <div><input type="checkbox"/> The final report must have no factual content that was not referenced. ✓ Please provide the location of the referenced report. _____</div> <div><input type="checkbox"/> The audit team must destroy all review notes and draft reports.</div> <div><input type="checkbox"/> The audit team must remove all sticky notes, questions and question marks, to-do notes, lists of pending matters, etc. from the work papers.</div>	
<hr/>	
Name: _____	
Signature: _____	Date: _____